

STATE OF NEW JERSEY
Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement

In the Matter of the Petition of Caesars)
Entertainment Corporation (Caesars or)
CEC) and Caesars Four Casino Licensees)
Namely, Showboat Atlantic City Operating)
Company, LLC (Showboat), Harrah's)
Atlantic City Operating Company, LLC)
(Harrah's AC), Bally's Park Place, Inc.)
(Bally's) and Boardwalk Regency)
Corporation (BRC) For an Order or Orders)
Addressing Conditions Previously Imposed)
on Showboat, Harrah's AC, Bally's and)
BRC, Respectively)

ORDER
PRN 00208

It is ordered that the attached letter dated November 14, 2011, by Deputy Attorney General John E. Adams, Jr. regarding conditions imposed *In the Matter of the State of New Jersey v. Marina Associates, et al.*, Agency Docket No.: 08-0419-VC pursuant to a Stipulation of Settlement, for the reasons expressed therein, is hereby adopted. Caesars and its four casino licensees namely, Showboat, Harrah's AC, Bally's and BRC are relieved from complying with the special requirements and conditions entered in the Stipulation of Settlement, however, if in any rolling 12-month period there are three or more violations of any pertinent regulations, upon notice by the Division, those special and additional requirements and procedures, including the Thomas Letter procedures as set forth in the Stipulation of Settlement will be reinstated and no other action will be necessary on the part of the Division once the Division notifies Caesars and the licensees of the continuing violations and the need to reimplement the additional procedures and requirements. The time frame for automatic reimposition of the special and additional requirements and procedures in the event of any continuing violations shall continue for a three-year period.

Dated: November 14, 2011


DAVID REBUCK
ACTING DIRECTOR

Casino Licensing



State of New Jersey

Chris Christie
Governor

Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement
P.O. Box 047
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Paula T. Dow
Attorney General

Kim Guadagno
Lt. Governor

David Rebuck
Acting Director

November 14, 2011

Lynne Hughes, Esq.
Vice President & Chief Legal Officer
Caesars Entertainment/Eastern Division
Park Place and the Boardwalk
Atlantic City, NJ 08401

RE: Caesars Entertainment Corporation/Relief from Certain Orders/Resolutions

Dear Ms. Hughes:

As described in your letter to Acting Director Rebuck dated October 18, 2011, various orders and resolutions previously issued by the Casino Control Commission (Commission) impose upon the four Caesars casino licensees in Atlantic City conditions to the approvals granted therein. You have requested orders from the Director of the Division of Gaming Enforcement (Division) addressing the status of certain of those conditions and/or relief for Caesars and its four casino licensees in Atlantic City from further compliance therewith. The Division has reviewed the aforesaid letter and attachments as well as the materials referenced therein and other documents previously provided by you which pertain thereto. This response addresses only the matter delineated in your letter as follows:

**Requirements Imposed by Approved Settlement of a Violation Complaint
(Docket No. 08-0419 VC; Order No. 09-12-16-5)**

As set forth in your letter, the Stipulation of Settlement entered in the Division's complaint action under Docket No. 08-0419-VC, Order No. 09-12-16-5 provided that the Caesars' four licensees acknowledged, among other things, past failures to file timely



(609) 292-9394

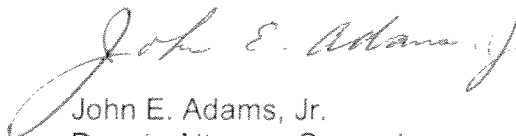
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notifications regarding qualifiers and in one particular instance, to obtain temporary qualification of a corporate-level qualifier. A civil penalty was imposed. Additionally, pursuant to the Stipulation of Settlement, Caesars agreed to provide intra-company reports and computer generated notification procedures which are known as the "Thomas Letter procedures." The Thomas Letter procedures are in addition to the formal notification process regarding qualifiers required by *N.J.A.C. 13:69C-2.3*, and provide for added time restrictions not included in the regulations namely, 10 days from computer notification.

The Division is prepared to relax the aforesaid special requirements but only within the context of certain parameters. If in any rolling 12 month period there are three or more violations of any pertinent regulations, upon notice by the Division, the special and additional requirements and procedures, including the Thomas Letter procedures as set forth in the Stipulation of Settlement, will be reinstated. So it is clear, no other action will be necessary on the part of the Division once the Division notifies Caesars of the continuing violations and the need to reimplement the procedures. Caesars now must acknowledge and consent to these requirements for the existing condition and its procedures to be removed. The lifting of these special and additional requirements will thereafter be in the Division's sole discretion. By way of example only, and not limitation, if after any reimposition Caesars demonstrates the requisite compliance without further violations for a 12 month rolling period, the Division would most likely, absent other regulatory violations or similar problems, again remove and eliminate the special and additional requirements. To provide a time frame, these parameters will continue for a three year period. If there are no violations or less than three in any rolling 12 month period during the next three years, the special and additional requirements will be eliminated fully without any automatic reimposition of those requirements. Caesars would thereafter be subject only to such regulatory action as the Division deems appropriate at that time.

Be advised that this writing is not effective unless an order signed by the Director is appended hereto.

Sincerely,



John E. Adams, Jr.
Deputy Attorney General

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c: Dianna Fauntleroy, Esq., General Counsel,
Casino Control Commission
Paul O'Gara, Esq.
Dennis Daly, Esq.